



Indiana State Department of Health



January 18, 2006
For Immediate Release

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HEALTH OFFICIALS AND TOBACCO PREVENTION ADVOCATES ASK LEGISLATORS TO SUPPORT A CIGARETTE TAX INCREASE

***A minimum 25 cent increase per pack will save 8,300 youth from early death due to smoking
while bringing in \$111.3 million in new revenue***

INDIANAPOLIS—State Health Commissioner Judith A. Monroe, M.D. was joined by the Indiana State Medical Association (ISMA) and the Executive Board of the Indiana Tobacco Prevention and Cessation Agency (ITPC) to ask the General Assembly to seize the opportunity to support Governor Daniels' proposed minimum 25 cent increase in cigarette sales tax—a tax to prevent youth initiation, reduce adult tobacco use and save Hoosier lives and untold dollars in healthcare.

“Smoking is the number one preventable cause of disease and death,” said Dr. Monroe. “Now is the time for us to work together to eliminate this public health threat. Compelling research shows that raising the price of cigarettes can prevent youth from trying them in the first place. We want to encourage Hoosiers to quit smoking, but more importantly, we want our young people not to start in the first place.”

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Research analysis by the U.S. Centers for Disease Control demonstrates that increasing the price of cigarettes will reduce the number of youth and adult smokers. Over fifteen years of research demonstrates that as the price of cigarettes goes up, fewer children start smoking and more adults and teenagers attempt to quit. A 2003 study published in Health Economics examined the effect of price on youth smoking. The results confirmed that high cigarette prices reduce the probability of youth cigarette smoking.

Kevin R. Burke, MD and President of the Indiana State Medical Association, said it has been the Association's policy since 1998 to increase the tax on tobacco. "Far too many Hoosiers continue to smoke," Burke said. "Tobacco use is a major health issue for the State of Indiana. A cigarette tax increase is an effective means of discouraging smoking."

Since 2001, there has been an overall decline of 19% in cigarette consumption in Indiana. The most dramatic decrease occurred between 2002 and 2003 when consumption decreased by 18%.

Considering that 90 percent of smokers start as teenagers and teens are highly sensitive to price, higher cigarette taxes will reduce youth smoking rates. Indiana's youth cigarette use is 21 percent; the national average is 22 percent.

"Fewer of my friends will buy cigarettes if the price of a pack goes up," said Jessica Riedeman, Voice Youth Advisory Board member from Decatur County. "I think they would rather spend their extra cash on CD's, electronic games, DVD's and gas for their cars." Voice is Indiana's youth movement against tobacco use.

According to Campaign for Tobacco Free Kids, the benefits Indiana can expect as a result of the increase include:

- 26,100 fewer future youth smokers
- 8,300 youth saved from early death due to smoking
- 12,200 fewer adult smokers
- 4,060 smoking-affected births avoided
- \$111.3 million in revenue
- Savings of \$521.1 million in long-term healthcare for Indiana

In 2005, 10 states raised their cigarette taxes and 8 states increased them in 2004. Indiana's border states have also seen tax increases. Kentucky increased its tax from 3 cents to 30 cents and Ohio more than doubled its tax from 55 cents to \$1.25 per pack. In 2004, Michigan increased its tax from 75 cents to \$2.00. Currently, New York, Iowa, Texas, and Missouri are considering cigarette tax increases. Mississippi legislature just passed a cigarette tax increase of 57 cents this year and an additional 25 cents next year.

“Most of my patients tell me that they wish they had never tried that first cigarette,” added Dr. Monroe. “So, every adult needs to ask if they want their children, grandchildren, nieces and nephews to start smoking.

Also on hand to support the tax increase were organizations who have been working with health officials and tobacco prevention advocates to eliminate tobacco use in Indiana. They include: American Cancer Society, American Heart Association, American Lung Association of Indiana, Campaign for Tobacco Free Kids, Hoosier Faith and Health Coalition, Indiana Academy of Family Physicians, Indiana Latino Institute, Indiana State Medical Association, and SMOKEFREE Indiana.

The ITPC Executive Board was created to oversee funding from Indiana's share of the 1998 Master Settlement Agreement from the tobacco companies. The board oversees the entire comprehensive program, which includes media components, special youth features, enforcement, cessation initiatives and community programs reaching every county in Indiana. Dr. Monroe is chair of the board. Learn more about ITPC's efforts at www.WhiteLies.tv or its youth movement at www.voice.tv. Learn more about INShape Indiana efforts at www.INShape.IN.gov.

For more information on tobacco prevention and cessation log onto www.itpc.in.gov and www.tobaccofreekids.org/research/factsheets

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